

House Bill 496 (AS PASSED HOUSE AND SENATE)

By: Representatives Hill of the 21st, Byrd of the 20th, Jerguson of the 22nd, and Hamilton of the 23rd

A BILL TO BE ENTITLED
AN ACT

1 To provide for the creation of one or more community improvement districts in the City of
2 Woodstock; to provide for a short title; to provide for the purposes of such districts; to
3 provide for definitions; to provide for boards to administer said districts; to provide for the
4 appointment and election of members of such boards; to provide for taxes, fees, and
5 assessments; to provide for the boundaries of such districts; to provide for debt of such
6 districts including bonded indebtedness; to provide for cooperation with local governments;
7 to provide for powers of such boards; to provide for construction; to provide that no notice,
8 proceeding, publication, or referendum shall be required; to provide for dissolutions; to
9 provide the procedures connected with all of the foregoing; to provide for an effective date;
10 to repeal conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

12 **SECTION 1.**

13 Short title.

14 This Act shall be known and may be cited as the "City of Woodstock Community
15 Improvement Districts Act of 2009."

16 **SECTION 2.**

17 Purpose.

18 The purpose of this Act shall be to provide for the creation of one or more community
19 improvement districts within the City of Woodstock, and such districts shall be created for
20 the provision of such of the following governmental services and facilities as may be
21 provided for in the resolution activating each district created pursuant to this Act or as may
22 be adopted by a caucus of electors as defined in this Act:

- (1) Street and road construction and maintenance, including curbs, sidewalks, street lights, and devices to control the flow of traffic on streets and roads;
- (2) Parks and recreational areas and facilities;
- (3) Storm water and sewage collection and disposal systems;
- (4) Development, storage, treatment, purification, and distribution of water;
- (5) Public transportation;
- (6) Terminal and dock facilities and parking facilities; and
- (7) Such other services and facilities as may be provided for by general law.

SECTION 3.

Definitions.

As used in this Act, the term:

- (1) "Agricultural" means the growing of crops for sale or the raising of animals for sale or use, including the growing of field crops and fruit or nut trees, the raising of livestock or poultry, and the operation of dairies, horse boarding facilities, and riding stables.
- (2) "Board" means the governing body created for the governance of each community improvement district authorized by this Act.
- (3) "Caucus of electors" means for each district the meeting of electors as provided in this Act at which the elected board members of the district are elected or at which the governmental services and facilities to be provided by the district are determined. A quorum at such caucus shall consist of those electors present, and a majority of those present and voting shall be necessary to take action. No proxy votes may be cast. Notice of any such meeting shall be given to said electors and equity electors by publishing notice thereof in the legal organ of Cherokee County at least once each week for four weeks prior to such meeting.
- (4) "Cost of the project" or "cost of any project" means and includes:
- (A) All costs of acquisition by purchase or otherwise, construction, assembly, installation, modification, renovation, or rehabilitation incurred in connection with any project or any part of any project;
- (B) All costs of real property, fixtures, or personal property used in or in connection with or necessary for any project or for any facilities related thereto, including, but not limited to, the cost of all land, estates for years, easements, rights, improvements, water rights, connections for utility services, fees, franchises, permits, approvals, licenses, and certificates; the cost of securing any such franchises, permits, approvals, licenses, or certificates; the cost of preparation of any application therefor; and the cost of all

57 fixtures, machinery, equipment including all transportation equipment and rolling stock,
58 furniture, and other property used in or in connection with or necessary for any project;

59 (C) All financing charges and loan fees and all interest on bonds, notes, or other
60 obligations of a district which accrue or are paid prior to and during the period of
61 construction of a project and during such additional period as the board may reasonably
62 determine to be necessary to place such project in operation;

63 (D) All costs of engineering, surveying, architectural, and legal services and all
64 expenses incurred by engineers, surveyors, architects, and attorneys in connection with
65 any project;

66 (E) All expenses for inspection of any project;

67 (F) All fees of fiscal agents, paying agents, and trustees for bondholders under any trust
68 agreement, indenture of trust, or similar instrument or agreement; all expenses incurred
69 by any such fiscal agents, paying agents, and trustees; and all other costs and expenses
70 incurred relative to the issuances of any bonds, notes, or other obligations for any
71 project;

72 (G) All expenses of or incidental to determining the feasibility or practicability of any
73 project;

74 (H) All costs of plans and specifications for any project;

75 (I) All costs of title insurance and examinations of title with respect to any project;

76 (J) Repayment of any loans made for the advance payment of any part of the foregoing
77 costs, including interest thereon and any other expenses of such loans;

78 (K) Administrative expenses of the board and such other expenses as may be necessary
79 for or incidental to any project or the financing thereof or the placing of any project in
80 operation; and

81 (L) The establishment of a fund or funds for the creation of a debt service reserve, a
82 renewal and replacement reserve, or such other funds or reserves as the board may
83 approve with respect to the financing and operation of any project and as may be
84 authorized by any bond resolution, trust agreement, indenture of trust, or similar
85 instrument or agreement pursuant to the provisions of which the issuance of any bonds,
86 notes, or other obligations of the district may be authorized.

87 Any cost, obligation, or expense incurred for any of the purposes outlined in this
88 paragraph shall be a part of the cost of the project and may be paid or reimbursed as such
89 out of the proceeds of bonds, notes, or other obligations issued by the district.

90 (5) "District" means the geographical area designated as such by the resolution of the
91 governing body consenting to the creation of the community improvement district or as
92 thereafter modified by any subsequent resolution of the governing body within which the
93 district is or is to be located or a body corporate and politic being a community

improvement district created and activated pursuant to this Act as the context requires or permits.

(6) "Electors" means the owners of real property used nonresidentially within the district which is subject to taxes, fees, and assessments levied by the board, as they appear on the most recent ad valorem real property tax return records of Cherokee County or one officer or director of a corporate elector, one trustee of a trust which is an elector, one partner of a partnership elector, or one designated representative of an elector whose designation is made in writing. An owner of property that is subject to taxes, fees, or assessments levied by the board shall have one vote for an election based on numerical majority. An owner of multiple parcels has one vote, not one vote per parcel, for an election based on numerical majority. Multiple owners of one parcel have one vote for an election based on numerical majority which must be cast by one of their number who is designated in writing.

(7) "Equitably apportioned among the properties subject to such taxes, fees, and assessments according to the need for governmental services and facilities created by the degree of density of development of each such property," with reference to taxes, fees, and assessments levied by the board, means that the burden of the taxes, fees, and assessments shall be apportioned among the properties subject thereto based upon the values established in the most recent ad valorem tax reassessment of such properties certified by the chairperson of the Cherokee County Board of Tax Assessors, or such other body designated by the governing authority of the City of Woodstock, or with respect to fees and assessments may be apportioned among the properties subject thereto in direct or approximate proportion to the receipt of services or benefits derived from the improvements or other activities for which the taxes, fees, or assessments are to be expended, or with respect to fees and assessments may be apportioned in any other manner or combination of manners deemed equitable by the board, including, but not limited to, the recognition of differential benefits which may reasonably be expected to accrue to new land development in contrast to lands and improvements already in existence at the time of creation of the community improvement district.

(8) "Equity electors" means electors who cast votes equal to each \$1,000.00 of value of all owned real property within the district which is then subject to taxes, fees, and assessments levied by the board. The value of real property shall be the assessed value. In the event the owner shall be a corporation, trust, partnership, multiple owners, or any other entity, one person shall be designated as elector and such designation shall be made in writing.

(9) "Forestry" means the planting and growing of trees for sale in a program which includes reforestation of harvested trees, regular underbrush and undesirable growth

clearing, fertilizing, pruning, thinning, cruising, and marking which indicate an active tree farming operation. Such term does not include the casual growing of trees on land otherwise idle or held for investment, even though some harvesting of trees may occur thereon.

(10) "Project" means the acquisition, construction, installation, modification, renovation, or rehabilitation of land, interests in land, buildings, structures, facilities, or other improvements, including operation of facilities or other improvements, located or to be located within or otherwise providing service to the district and the acquisition, installation, modification, renovation, rehabilitation, or furnishing of fixtures, machinery, equipment, furniture, or other property of any nature whatsoever used on, in, or in connection with any such land, interest in land, building, structure, facility, or other improvement; the creation, provision, enhancement, or supplementing of public services such as fire, police, and other services, provided that same do not conflict with or duplicate existing public services; and all for the essential public purposes set forth in Section 2 of this Act.

(11) "Property owner" or "owner of real property" means any entity or person shown as a taxpayer for one or more parcels of real estate on the most recent ad valorem tax records of the City of Woodstock within the district. Ownership as shown by the most recent ad valorem real property tax records of the City of Woodstock shall be prima-facie proof of ownership. Multiple owners of one parcel shall constitute one property owner and shall designate in writing one of their number to represent the whole.

(12) "Property used nonresidentially" means property or any portion thereof used for neighborhood shopping, planned shopping center, general commercial, transient lodging facilities, tourist services, office or institutional, office services, light industry, heavy industry, central business district, parking, or other commercial or business use or vacant land zoned or approved for any of the aforementioned uses which do not include residential.

(13) "Residential" means a specific work or improvement undertaken primarily to provide single-family or multifamily dwelling accommodations for persons and families and such community facilities as may be incidental or appurtenant thereto.

(14) "Taxpayer" means an entity or person paying ad valorem taxes on real property, whether on one or more parcels of property within the district. Multiple owners of one parcel shall constitute one taxpayer and shall designate in writing one of their number to represent the whole.

SECTION 4.

Creation.

Pursuant to Article IX, Section VII of the Constitution of the State of Georgia, there is created one or more community improvement districts to be located in the City of Woodstock each of which shall be activated upon compliance with the conditions set forth in this section. Each district shall be governed by a board constituted by this Act. The conditions for such activation shall be:

(1) The adoption of a resolution consenting to the creation of each community improvement district by the governing authority of the City of Woodstock; and

(2) The written consent to the creation of the community improvement district by:

(A) A majority of the owners of real property within the district which will be subject to taxes, fees, and assessments levied by the board of the district; and

(B) The owners of real property within the district which constitutes at least 75 percent by value of all real property within the district which will be subject to taxes, fees, and assessments levied by the board. For this purpose, value shall be determined by the most recent approved county ad valorem tax digest.

The written consent provided for in this paragraph shall be submitted to the tax commissioner of Cherokee County, or such other body as designated by the governing authority of the City of Woodstock, who shall certify whether subparagraphs (A) and (B) of this paragraph have been satisfied with respect to each such proposed district. No district or board created under this Act shall transact any business or exercise any powers under this Act until the foregoing conditions are met. A copy of such resolutions shall be filed with the Secretary of State, who shall maintain a record of all districts activated under this Act, and with the Department of Community Affairs.

SECTION 5.

Administration, appointment, and election of board members.

(a) Each district created pursuant to this Act shall be administered by a board composed of seven board members to be appointed and elected as provided in this section. Two board members shall be appointed by the governing authority of the City of Woodstock. Two board members shall be elected by vote of the electors; and three members shall be elected by the vote of equity electors. The members representing the electors and equity electors shall be elected to serve in post positions 1 through 5, respectively. Each elected board member must receive a majority of the votes cast for the post for which he or she is a candidate. Votes for posts 1 and 2 shall be cast by electors and votes for posts 3, 4, and 5

shall be cast by equity electors. The initial term of office for the members representing posts 1 and 4 shall be one year. The initial term of office for the members representing posts 2 and 5 shall be two years, and the initial term of office of the members representing post 3 shall be three years. Thereafter, all terms of office for the elected board members shall be for three years. The appointed board members shall serve at the pleasure of the governing authority of the City of Woodstock.

(b) The initial board members to be elected as provided in subsection (a) of this section shall be elected in a caucus of electors which shall be held within 90 days after the adoption of the resolutions and obtaining the written consents herein provided at such time and place within the district as the governing authority of the City of Woodstock shall designate after notice thereof has been given to said electors as provided in this Act. Thereafter, there shall be conducted biennially, not later than 60 days following the last day for filing ad valorem real property tax returns in the City of Woodstock, a caucus of said electors at such time and place within the district as the board shall designate in such notice for the purpose of electing board members to those board member positions whose terms expire or are vacant. If a vacancy occurs in an elected position on the board, the board shall, within 60 days thereof, call a special election to fill the same to be held within 60 days of the call unless such vacancy occurs within 180 days of the next regularly scheduled election, in which case a special election may, but need not, be called.

(c) Board members shall be subject to recall as any other elected public official by the electors defined by this Act.

(d) Board members shall receive no compensation for their services, but shall be reimbursed for actual expenses incurred in the performance of their duties. They shall elect one of their number as chairperson and another as vice chairperson. They shall also elect a secretary and a treasurer, or a secretary-treasurer, any of whom may, but need not, be a member of the board or an elector.

(e) Chapter 2 of Title 21 of the O.C.G.A., the "Georgia Election Code," shall not apply to the election of district board members. The district board may adopt such bylaws not inconsistent with this Act to provide for any matter concerning such elections.

SECTION 6.

Taxes, fees, and assessments.

(a) The board may levy taxes, fees, and assessments within the district only on real property used nonresidentially, specifically excluding all property exempt from ad valorem taxation under the Constitution or laws of the State of Georgia; all property used for residential, agricultural, or forestry purposes; and all tangible personal property and intangible property.

234 Any tax, fee, or assessment so levied shall not exceed 2.5 percent of the aggregate assessed
235 value of all such real property. The taxes, fees, and assessments levied by the board shall be
236 equitably apportioned among the properties subject to such taxes, fees, and assessments
237 according to the need for governmental services and facilities created by the degree of
238 density of development of each such property. The proceeds of taxes, fees, and assessments
239 levied by the board shall be used only for the purpose of providing governmental services
240 and facilities which are specially required by the degree of density of development within the
241 district and not for the purpose of providing those governmental services and facilities
242 provided to the city as a whole. Any tax, fee, or assessment so levied shall be collected by
243 the City of Woodstock in the same manner as taxes, fees, and assessments are levied by the
244 City of Woodstock. Delinquent taxes shall bear the same interest and penalties as the City
245 of Woodstock ad valorem taxes and may be enforced and collected in the same manner. The
246 proceeds of taxes, fees, and assessments so levied, less a fee to cover the costs of collection
247 of 1 percent of such proceeds, but not more than \$25,000.00 in any one calendar year, shall
248 be transmitted by the City of Woodstock to the board and shall be expended by the board
249 only for the purposes authorized by this Act.

250 (b) The board shall levy the taxes, fees, and assessments in subsection (a) of this section
251 subsequent to the report of the assessed taxable values for the current calendar year and
252 notify the City of Woodstock in writing so that the district levy may be included on City of
253 Woodstock's regular ad valorem tax bills.

254 (c) If, but for this provision, a parcel of real property is removed from a district or otherwise
255 would become nontaxable, it shall continue to bear its tax millage then extant upon such
256 event for bonded indebtedness of the district then outstanding until said bonded indebtedness
257 then outstanding is paid or refunded.

258 (d) Each property owner paying taxes, fees, or assessments levied by the board for any
259 public facility as set forth in Section 2 of this Act may receive a credit equal to the present
260 value of all such taxes, fees, and assessments toward any impact fee as may be levied by the
261 City of Woodstock against such property for system improvements which are in the same
262 category as said public facility in accordance with Chapter 71 of Title 36 of the O.C.G.A.,
263 the "Georgia Development Impact Fee Act." Application for such development impact fee
264 credit may be granted by legislative action of the governing authority of the City of
265 Woodstock in its discretion.

SECTION 7.

Boundaries of the districts.

(a) The boundaries of each district shall be as designated as such by the governing authority of the City of Woodstock as set forth in the resolutions required in Section 4 of this Act or as may thereafter be added as provided in this Act.

(b) The boundaries of a district may be increased after the initial creation of a district pursuant to the following:

(1) Written consent of a majority of the owners of real property within the area sought to be annexed and which will be subject to taxes, fees, and assessments levied by the board of the district;

(2) Written consent of owners of real property within the area sought to be annexed which constitutes at least 75 percent by value of the property which will be subject to taxes, fees, and assessments levied by the board. For this purpose, value shall be determined by the most recent approved county ad valorem tax digest;

(3) The adoption of a resolution consenting to the annexation by the board of the district; and

(4) The adoption of a resolution consenting to the annexation by the governing authority of the City of Woodstock.

SECTION 8.

Debt.

Except as otherwise provided in this section, each district may incur debt without regard to the requirements of Article IX, Section V of the Constitution of Georgia, or any other provision of law prohibiting or restricting the borrowing of money or the creation of debt by political subdivisions of the State of Georgia, which debt shall be backed by the full faith and credit and taxing power of the district but shall not be an obligation of the State of Georgia or any other unit of government of the State of Georgia other than the district.

SECTION 9.

Cooperation with local governments.

The services and facilities provided pursuant to this Act shall be provided for in a cooperation agreement executed jointly by the board and by the City of Woodstock. The provisions of this section shall in no way limit the authority of the City of Woodstock to provide services or facilities within the district; and the City of Woodstock shall retain full

and complete authority and control over any of its facilities located within its respective areas of any district. Said control shall include, but not be limited to, the modification of, access to, and degree and type of services provided through or by facilities of the city. Nothing contained in this section shall be construed to limit or preempt the application of any governmental laws, ordinances, resolutions, or regulations to the district or the services or facilities provided therein.

SECTION 10.

Powers.

(a) Each district and its board created pursuant to this Act shall have all of the powers necessary or convenient to carry out and effectuate the purposes and provisions of this Act, including, without limiting the generality of the foregoing, the power:

(1) To bring and defend actions;

(2) To adopt and amend a corporate seal;

(3) To make and execute contracts, agreements, and other instruments necessary or convenient to exercise the powers of the board or to further the public purposes for which the district is created, including, but not limited to, contracts for construction of projects, leases of projects, contracts for sale of projects, agreements for loans to finance projects, contracts with respect to the use of projects, and agreements with other jurisdictions or community improvement districts regarding multijurisdictional projects or services or for other cooperative endeavors to further the public purposes of the district;

(4) To acquire by purchase, lease, or otherwise and to hold, lease, and dispose of real and personal property of every kind and character, or any interest therein, in furtherance of the public purposes of the district;

(5) To finance by loan, grant, lease, or otherwise; to construct; erect; assemble; purchase; acquire; own; repair; remodel; renovate; rehabilitate; modify; maintain; extend; improve; install; sell; equip; expand; add to; operate; or manage projects and to pay the cost of any project from the proceeds of the district or any other funds of the district, or from any contributions or loans by persons, corporations, partnerships whether limited or general, or other entities, all of which the board is authorized to receive, accept, and use;

(6) To borrow money to further or carry out its public purposes and to execute bonds, notes, other obligations, leases, trust indentures, trust agreements, agreements for the sale of its bonds, notes or other obligations, loan agreements, security agreements, assignments, and such other agreements or instruments as may be necessary or desirable, in the judgment of the board, to evidence and to provide security for such borrowing;

(7) To issue bonds, notes, or other obligations of the district and use the proceeds for the purpose of paying all or any part of the cost of any project and otherwise to further or carry out the public purposes of the district and to pay all costs of the board incidental to, or necessary and appropriate to, furthering or carrying out such purposes;

(8) To make application directly or indirectly to any federal, state, or county government or agency or to any other source, whether public or private, for loans, grants, guarantees, or other financial assistance in furtherance of the district's public purposes and to accept and use the same upon such terms and conditions as are prescribed by such federal, state, or county government or agency or other source;

(9) To enter into agreements with the federal government or any agency thereof to use the facilities or services of the federal government or any agency thereof in order to further or carry out the public purposes of the district;

(10) To contract for any period, not exceeding 50 years, with the State of Georgia, state institutions, or any municipal corporation, county, or political subdivision of this state for the use by the district of any facilities or services of the state or any such state institution, municipal corporation, county, or political subdivision of this state, or for the use by any state institution or any municipal corporation, county, or political subdivision of this state of any facilities or services of the district, provided that such contracts shall deal with such activities and transactions as the district and any such political subdivision with which the district contracts are authorized by law to undertake;

(11) To receive and use the proceeds of any tax levied by any county or any municipality to pay the costs of any project or for any other purpose for which the board may use its own funds pursuant hereto;

(12) To receive and administer gifts, grants, and devises of money and property of any kind and to administer trusts;

(13) To use any real property, personal property, or fixtures or any interest therein or to rent or lease such property to or from others or make contracts with respect to the use thereof or to sell, lease, exchange, transfer, assign, pledge, or otherwise dispose of or grant options for any such property in any manner as it deems to be the best advantage of the district and the public purposes thereof;

(14) To appoint, select, and employ engineers, surveyors, architects, urban or city planners, fiscal agents, attorneys, and others and to fix their compensation and pay their expenses;

(15) To encourage and promote the improvement and development of the district and to make, contract for, or otherwise cause to be made long-range plans or proposals for the district in cooperation with the City of Woodstock;

(16) To adopt bylaws governing the conduct of business by the board, the election and duties of officers of the board, and other matters which the board determines to deal with in its bylaws;

(17) To exercise any power granted by the laws of this state to public or private corporations which is not in conflict with the public purposes of the district;

(18) To create, provide, enhance, or supplement public services such as fire, police, and other such services as may be deemed necessary, provided that said public services do not conflict with or duplicate existing the City of Woodstock services; and

(19) To do all things necessary or convenient to carry out the powers conferred by this section.

(b) The powers enumerated in each paragraph of subsection (a) of this section are cumulative of and in addition to those powers enumerated in this section and elsewhere in this Act, and no such power limits or restricts any other power of the board.

(c) The powers enumerated in each paragraph of subsection (a) of this section are conferred for an essential governmental function for a public purpose, and the revenues and debt of any district are not subject to taxation.

SECTION 11.

Bonds generally.

(a) Notes or other obligations issued by a district other than general obligation bonds shall be paid solely from the property pledged to pay such notes or other obligations. General obligation bonds issued by any district shall constitute a general obligation of the district to the repayment of which the full faith and credit and taxing power of the district shall be pledged.

(b) All bonds, notes, and other obligations of any district shall be authorized by resolution of its board adopted by a majority vote of the board members at a regular or special meeting.

(c) Bonds, notes, or other obligations shall bear such date or dates, shall mature at such time or times not more than 40 years from their respective dates, shall bear interest at such rate or rates which may be fixed or may fluctuate or otherwise change from time to time, shall be subject to redemption on such terms, and shall contain such other terms, provisions, covenants, assignments, and conditions as the resolution authorizing the issuance of such bonds, notes, or other obligations may permit or provide. The terms, provisions, covenants, assignments, and conditions contained in or provided or permitted by any resolution of the board authorizing the issuance of such bonds, notes, or other obligations shall bind the board members of the district then in office and their successors.

(d) The board shall have power from time to time and whenever it deems it expedient to refund any bonds by the issuance of new bonds, whether or not the bonds to be refunded have matured, and may issue bonds partly to refund bonds then outstanding and partly for any other purpose permitted by this Act. The refunding bonds may be exchanged for the bonds to be refunded, with such cash adjustments as may be agreed upon, or may be sold and the proceeds applied to the purchase or redemption of the bonds to be refunded.

(e) There shall be no limitation upon the interest rates or any maximum interest rate or rates on any bonds, notes, or other obligations of any district; and the usury laws of this state shall not apply to bonds, notes, or other obligations of any district.

(f) Bonds issued by a district may be in such form, either coupon or fully registered, or both coupon and fully registered, and may be subject to such exchangeability and transferability provisions as the bond resolution authorizing the issuance of such bonds or any indenture or trust agreement may provide.

(g) All bonds issued by a district pursuant to this Act shall be issued and validated under and in accordance with Article 3 of Chapter 82 of Title 36 of O.C.G.A., the "Georgia Revenue Bond Law." The signature of the clerk of the Superior Court of Cherokee County may be made on the certificate of validation of such bonds by facsimile or by manual execution, stating the date on which such bonds were validated; and such entry shall be original evidence of the fact of judgment and shall be received as original evidence in any court in this state.

(h) In lieu of specifying the rate or rates of interest which such bonds are to bear and the principal amount and maturities of such bonds, the notice to the district attorney or the Attorney General, the notice to the public of the time, place, and date of the validation hearing, and the petition and complaint for validation may state that the bonds when issued will bear interest at a rate not exceeding a maximum per annum rate of interest which may be fixed or may fluctuate or otherwise change from time to time and that the principal amount will not exceed and the final maturity date will not be later than as specified in such notices and petition and complaint or may state that, in the event the bonds are to bear different rates of interest for different maturity dates, none of such rates will exceed the maximum rate which may be fixed or may fluctuate or otherwise change from time to time so specified; provided, however, that nothing in this subsection shall be construed as prohibiting or restricting the right of a board to sell such bonds at a discount, even if in doing so the effective interest cost resulting would exceed the maximum per annum interest rate specified in such notices and in the petition and complaint.

(i) The terms "cost of the project" and "cost of any project" shall have the meaning prescribed in this Act whenever those terms are referred to in bond resolutions of a board,

438 in bonds, notes, or other obligations of the district, or in notices or proceedings to validate
439 such bonds, notes, or other obligations of a district.

440 **SECTION 12.**

441 Authorized contents of agreements and instruments; use of proceeds of sale bonds,
442 notes, and other obligations; subsequent issues of obligations.

443 (a) Subject to the limitations and procedures provided by this section and by Section 11 of
444 this Act, the agreements or instruments executed by a board may contain such provisions not
445 inconsistent with law as shall be determined by the board.

446 (b) The proceeds derived from the sale of all bonds, notes, and other obligations issued by
447 a district shall be held and used for the ultimate purpose of paying, directly or indirectly as
448 permitted by this Act, all or part of the cost of any project, or for the purpose of refunding
449 any bonds, notes, or other obligations issued in accordance with this Act.

450 (c) Issuance by a board of one or more series of bonds, notes, or other obligations for one
451 or more purposes shall not preclude it from issuing other bonds, notes, or other obligations
452 in connection with the same project or with any other projects; but the proceeding wherein
453 any subsequent bonds, notes, or other obligations are issued shall recognize and protect any
454 prior loan agreement, security agreement, or other agreement or instrument made for any
455 prior issue of bonds, notes, or other obligations, unless in the resolution authorizing such
456 prior issue the right is expressly reserved to the board to issue subsequent bonds, notes, or
457 other obligations on a parity with such prior issue.

458 (d) In the event that any district shall be terminated in accordance with this Act, the board
459 shall serve until December 31 of the year in which termination shall be approved for the
460 purpose of concluding any ongoing matters and projects, but, if such cannot be concluded
461 by December 31, then the governing authority of the City of Woodstock shall assume the
462 duties of the administrative board and shall be expressly authorized to exercise the authority
463 of the administrative board. In the alternative, the governing authority of the City of
464 Woodstock may, by resolution, assume all rights and obligations of the district, either bonds
465 or otherwise, and the district shall cease to exist upon the adoption of such resolution.

466 **SECTION 13.**

467 Construction; applicability of Chapter 5 of Title 10 of the O.C.G.A., the "Georgia
468 Securities Act of 1973;" notice, proceeding, publication, and referendum.

469 This Act shall be liberally construed to effect the purposes hereof. The offer, sale, or
470 issuance of bonds, notes, or other obligations by a district shall not be subject to regulation

under Chapter 5 of Title 10 of the O.C.G.A., the "Georgia Securities Act of 1973." No notice, proceeding, or publication except those required hereby shall be necessary to the performance of any act authorized hereby, nor shall any such act be subject to referendum.

SECTION 14.

Dissolution.

(a) Any district activated under the provisions of this Act may be dissolved. The conditions for such dissolution shall be:

(1) The adoption of a resolution approving of the dissolution of each community improvement district by the governing authority of the City of Woodstock; and

(2) The written consent to the dissolution of the community improvement district by:

(A) Two-thirds of the owners of real property within the district that are subject to taxes, fees, and assessments levied by the board of the district; and

(B) The owners of real property constituting at least 75 percent by value of all real property within the district that are subject to taxes, fees, and assessments levied by the board. For this purpose, value shall be determined by the most recently approved county ad valorem tax digest.

The written consent provided for in this paragraph shall be submitted to the Cherokee County tax commissioner, or such other body designated by the governing authority of the City of Woodstock, who shall certify whether subparagraphs (A) and (B) of this paragraph have been satisfied with respect to each proposed district dissolution.

(b) At the official caucus of electors at which board members are to be elected in the tenth year following creation of the district, and every tenth year thereafter, the question shall be put to the electors present to dissolve the community improvement district. Upon an affirmative vote of two-thirds of the electors present and voting, who shall represent at least 75 percent of the votes cast on the basis of value, the board shall send a ballot to each owner of property subject to taxes, fees, and assessments levied by the board for a vote on the dissolution. Upon receipt of ballots consenting to the dissolution from a majority of the property owners, who shall represent at least 75 percent of the assessed value of said properties, the board shall request dissolution by the governing authority and shall forward said ballots to the Cherokee County tax commissioner, or such other body designated by the governing authority of the City of Woodstock for certification.

(c) In the event that successful action is taken pursuant to this section to dissolve the district, the dissolution shall become effective at such time as all debt obligations of the district have been satisfied. Following a successful dissolution action and until the dissolution becomes

505 effective, no new projects may be undertaken, no new obligations or debts may be incurred,
506 and no new property may be acquired.

507 (d) Upon a successful dissolution action, all noncash assets of the district other than public
508 facilities or land or easements to be used for such public facilities, as described in Section 2
509 of this Act, shall be reduced to cash and, along with all other cash on hand, shall be applied
510 to the repayment of any debt obligation of the district. Any cash remaining after all
511 outstanding obligations are satisfied shall be refunded to the City of Woodstock.

512 (e) When a dissolution becomes effective, the city governing authority shall take title to all
513 property previously in the ownership of the district and all taxes, fees, and assessments of the
514 district shall cease to be levied and collected.

515 (f) A district may be reactivated in the same manner as an original activation.

516 **SECTION 15.**

517 Effective date.

518 This Act shall become effective upon its approval by the Governor or upon its becoming law
519 without such approval.

520 **SECTION 16.**

521 General Repealer.

522 All laws and parts of laws in conflict with this Act are repealed.